



A ROLE OF ARTIFICIAL INTELLIGENCE IN MARKETING-A STUDY WITH CONSUMER MARKETING AI APPLICATIONS

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ABSTRACT

Artificial Intelligence (AI) is helping marketers predict what their customers want and is a key contributor to more seamless customer experiences. AI is often used where speed plays an important role and is essential in marketing efforts. To best communicate with customers and then serve them tailored messages at the right time, ensuring the maximum efficiency possible and without intervention from marketing team members, data and customer profiles are used by AI tools. In today's customer-driven market, complexities involved in decision making is increasing every day. This includes understanding customer needs and desires and aligning products to those needs and desires. A handle on changing customer behaviour is vital to make the best marketing decisions. Artificial intelligence is reshaping almost all the aspects of doing business, from finance to sales and R&D to operations but the most profound impact of AI is being witnessed in the field of marketing where not only it has already created great value but experts predict it is going to change the future of marketing massively. AI marketing uses artificial intelligence and machine learning technologies to make decisions based on data collection, data analysis and additional observations of trends that may impact marketing efforts.

KEYWORDS: AI, Marketing, R&D, AI, ML Tools

INTRODUCTION

Artificial Intelligence (AI) marketing solutions optimize and streamline campaigns while eliminating risk for human error. Marketers can leverage AI to build marketing analytics techniques for targeting the customers which are potential and create customized experiences for their customers. For many of today's marketers, AI is used to perform more tactical tasks that require less human nuance and to augment marketing teams. AI is able to conduct tactical data analysis faster than its human counterparts and come to fast conclusions based on campaign and customer context. It helps the team members of the organization, give time to focus on strategic initiatives that can then inform AI-enabled campaigns. With the advent of AI and its growth at a high rate, marketers currently have to no longer wait until the end of a campaign to make the decisions, but they can make use of real-time analytics to make better media choices. In a multitude of use cases, AI is being used in marketing initiatives across a broad array of industries including financial services, healthcare, government, retail, entertainment, and more. Different results are shown or offered by each use case, from improvements to campaign performance, to enhanced customer experience or greater efficiency in marketing operations. "AI is not just heading for our industry and it will radically change the use of machinery we use in marketing" said by Tim Berners Lee.

Advantage of Artificial Intelligence and Machine Learning

There are numerous ways businesses can take advantage of Artificial Intelligence and Machine Learning to create a more comprehensive marketing plan. Consider the following:

1. *Predictive Marketing Analytics*

With huge amount of data coming every second, marketing teams have a hard time analysing and deriving insights from it. AI allows marketing teams to make the most of the data using predictive analytics, which leverages an assortment of machine learning algorithms, models and datasets to predict the future behaviour. This can be a great help for marketing teams to understand the types of products a consumer will be looking for and when and then allowing them to position campaigns more accurately. Predictive Marketing Analytics help marketers know what exactly consumers are thinking, saying and feeling in real time about the products and brand. AI marketing helps organizations understand who their target audience will be and so that they can create a personalized experience for each of their customers as consumers expect companies to understand and meet their needs and expectation

2. *Smarter and faster decision making*

AI helps conduct data much faster than human intervention, guarantees the accuracy, security and enables team to focus on strategic initiatives to make effective AI-powered campaigns. AI is able to collect and track real-time tactical data so that marketers can make decisions right at the moment without having to wait until the campaigns end. They can determine what to do next based on the data-driven reports so that the decisions will be smarter and more objective.

3. *Content Generation*

AI-powered tools can help the works of content creators

much more efficiently and easily. Though the core of the content is routed from human creativity, you can use AI tools to maximize your content team's efficiency by automating specific tasks such as email content, personalized reports/messages or social media content curation. Some tools like Rocco can help you create fresh social media content that increases your followers' engagement.

4. *Sales forecasting Knowing*

what to do next and doing it right is what every business should aim to meet customers' expectations and earn more sales. The application of AI in marketing makes it easier for marketers to understand customers and participate in their actions based on the data collected on their contacts and past purchases. Through this system, you can predict what customers will buy next and the quantity of a product sold. It helps you define what product to promote and promote to whom to drive higher sales. This way of creating business intelligence also enables you to avoid overselling or selling out-of-stock products by balancing your inventory. An example of software that uses AI to aid marketing reps is Qurious. The software helps your marketing or sales reps understand every conversation with prospects instantly without paying outrageous amounts of speech-to-text costs.

5. *Dynamic Pricing*

This AI is often referred to as personalized pricing. It's a pricing strategy wherein a product's price is determined by demand and/or supply. A good example is the prices of ride-sharing apps that increase as demand rises or when you can't find a discount when you need to purchase a product online. An application or website's bot can monitor your predictive analytics use cases such as cookies, history, searches and other activities to provide you with real-time pricing. This means you get fewer discounts and/or higher prices for the product/service you need at the moment. It sounds unfair, doesn't it? But there are always two sides to a story. Customers can benefit from dynamic pricing when the demand for a product is down. A good example of this is when hotel rooms go unsold. To help decrease the chances of a vacancy, dynamic pricing can offer competitive pricing to attract customers.

6. *Optimization of ads*

AI-based tools permit you to handle the process of A/B testing ads in a way that saves time, money and facilitates the production of top advertisement content using the least amount of time possible, while using the algorithms of machine learning. The machine dynamically splits budgets across channels to maximize ROI. It optimizes thousands of micro-campaigns every minute and expands on new strategies. With the help of technology, you can also retain information on customer behaviour for future targeting and use the most cost-effective touchpoints to drive ROI.

7. *Automated email content curation*

Content curation is about finding great content and presenting it to your audience in an effective way. Simply,

you share content created by others with your followers. However, it's not just re-sharing content; this process is done by adding more values to your content that's more likely to engage your audience. With Artificial Intelligence, you can curate content and put it into action on the fly. The automation will save you time scheduling and sending emails to customers. After segmenting your audience and their emails, AI helps you personalize your newsletter's content sent to each of your audiences. Your newsletters need to be more relevant from what you say to the links your audience will click.

8. *Get AI-powered customer insights*

The main reason businesses use AI is for data collection. The insights that AI collects for businesses are valuable sources for them to understand customers at their best and make customer-centered decisions. AI enables external market knowledge by analyzing the vast amount of online content on social media platforms, blogs or other platforms. Marketers can easily create customer personas based on billions of data collected from AI algorithms. They are on-site interactions, geographic specials, purchase behaviours, past interactions/communications, referral sources, and more. From then, customer segmentation can be done more effectively. Marketers can identify more clearly which customers should be targeted and included or excluded from the campaign, better match customers to the products they're likely to buy, and prevent promoting irrelevant or out-of-stock products to customers.

9. *Craft personalized customer experience*

Brands can use AI to improve customer experience by offering personalized content and offers and top-notch support to each individual customer. Think about the last time you visited an online store. You see a page with products you may enjoy and features selections exactly what you are going to buy. AI is used to analyze the products you've purchased in the past and recommends products that fit your needs. This is an example of how AI improves customer experience with personalization.

10. *Finding trends*

If Artificial Intelligence is here to help marketers communicating with their audience, it is also the perfect tool to use the data gathered by these interactions. As we said, Big Data gives a company the kind of vision that was impossible decades ago. Not only about what is happening with your indicators right now but what they say about the future. And let's be honest, it is getting harder every day to predict what the new trends for Marketing are, if we just use traditional methods. Expectations change so fast; you can't wait for it to emerge before getting on board. It might already be too late. As AI can perceive patterns too complex for our brains, its insights can show you a future before it happens. A niche, a new popular media channel, a new way of communication, a consuming habit from an upcoming generation. It is pretty much a superpower. With this knowledge, you can start planning an approach to execute as soon as it is possible. Innovation always

comes with a leap, but now you have data as well as faith to count on.

11. *Automated image recognition*

Big brands like Google, Facebook, Pinterest, and Amazon use AI to identify people and objects in images and videos with an accuracy percent up to 99.75%. If you are a Facebook user, you may notice how exact the system has become at recognizing your friends' faces in the photos you post and automatically tag them. From a marketing perspective, image recognition can better sync the online content and store visits. Many stores trace customers' in-store visits through facial recognition software and link to their profile to serve them with a better online shopping experience. Some others combine this technology with AI-managed push notifications to send real-time offers, discounts and personalized messages to customers individually. This increases the interactions between stores and customers as well as keeps their excitement longer when staying in the store.

Applications of AI in marketing

To put these benefits into context, let's examine a handful of AI's different applications in marketing. Here's how businesses use this tech to fuel engagement, increase conversion rates, and grow their bottom lines.

Content marketing: AI can generate branded blogs and social media posts with a few clicks, drawing insights from business data and previous experiences.

Customer care: AI chatbots can provide 24/7 customer support, using natural language processing (NLP) to understand context and user intent.

Personalisation: Algorithms can analyse user behaviour and preferences to provide product recommendations and deliver seamless, personalised experiences, boosting engagement.

Predictive analytics: An AI tool can use a wealth of historical data to predict market and customer trends. It can forecast demand, identify high-value customers, and even predict supply chain problems.

AI social media marketing: AI models can analyse social media data to identify the best time to post. They can then monitor engagement to determine ideal content types, all without human intervention.

Search engine optimisation (SEO): Marketers can use AI to generate keyword ideas and automatically optimise web pages to improve the business's position in the search engines.

Ads campaigns: AI can optimise ad placements and timings by analysing demographics and user behaviour. Marketers can even use AI to bid on ad spaces in real time.

Sentiment analysis: AI tools can explore reviews, comments, and feedback on a product or service to gauge sentiment. For

instance, social media listening lets AI tools assess customers' viewpoints on social media platforms.

challenges of AI in marketing

AI and automation from a different angle. While marketing with AI helps you understand customer behaviour and personalise marketing activities' timing, targeting, and content, it's not without its challenges.

Ethics

Ethical concern about data privacy, security, and consumer trust call for compliance and regulations to safeguard customer information. There's also the problem of AI bias, which could lead marketers down the AI path with false or misleading information. Combining these ethical concerns will require regular human intervention to verify the quality of AI's information.

Expertise

Technical expertise is vital for successful AI integration. To get the most out of AI and ML models, you need experienced specialists who understand how to capitalise on the benefits while mitigating the drawbacks. Training up a skilled workforce capable of deploying, using and optimising these tools and platforms can be a hurdle.

Data quality

For AI to produce excellent output, high-quality input is required. Poor data quality can lead to inaccurate insights and flawed decision-making. As such, businesses need to ensure their data is collected, collated, and accessible for use with AI tools. Ensuring proper data quality with Unified customer Profile is also crucial.

Data quantity

Good AI relies on a solid data foundation and making AI outputs usable in the workflow. Companies that don't collect enough data from tracking tools, surveys, and analytics may struggle to produce reliable insights considering every angle.

Creativity

Many marketers are concerned that AI will kill creativity, especially as more brands use these tools to create AI content. For that reason, businesses need to promote AI as an assistive tool designed to spark creativity rather than a crutch to rely on.

AI in digital marketing has its pitfalls, but by blending the power of AI with human insights and evaluation, each of these challenges can be avoided or mitigated, allowing companies to experience the full business benefits.

CONCLUSION

AI refers to techniques that allow machines to perform cognitive functions that require human intelligence. These include learning, reasoning, and interacting with the machine's surroundings. ML and deep learning are two of the most well-known AI techniques. AI can create a more personalised brand experience, making cultivating user engagement and loyalty easier. Marketers use language-based AI as sales tools,

payment processors, and engagement managers to improve the user experience. Instead of figuring out the purchase process independently, customers can now rely on chatbots to do it for them. Language-based AI is rapidly improving, “learning” from previous experiences and automatically optimising to create an even better experience the next time. It can assist marketers by identifying relevant content that users want to read. Personalising content through observation, data collection, and analysis is now possible with the help of AI. This technology in digital marketing assists marketers with email campaigns, allowing them to maximise results. Email marketing is one of the digital marketing services that help reach the target audience at the right time and ensure relevant conversion strategies. Analysing data is the most critical advantage of AI in marketing. This technology will analyse massive amounts of data and provide marketers with real-world and actionable insights

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